

Introduced by Senator Mitchell

February 21, 2014

An act to amend Section 10823 of the Welfare and Institutions Code, relating to Medi-Cal.

LEGISLATIVE COUNSEL'S DIGEST

SB 1341, as introduced, Mitchell. Medi-Cal: Statewide Automated Welfare System.

Existing law requires the Office of Systems Integration in the State Department of Social Services to implement a statewide automated welfare system for 6 specified public assistance programs, including Medi-Cal.

This bill would require the Statewide Automated Welfare System to be the system of record for Medi-Cal and to contain all Medi-Cal eligibility rules and case management functionality. The bill would, notwithstanding this provision, authorize the California Healthcare Eligibility, Enrollment, and Retention System (CalHEERS) to house the business rules necessary for an eligibility determination to be made, as specified, pursuant to the federal Patient Protection and Affordable Care Act. The bill would require CalHEERS to make the business rules available to the Statewide Automated Welfare System consortia to determine Medi-Cal eligibility. The bill would require the Statewide Automated Welfare System to house the functionality to create and send Notices of Action for the Medi-Cal program, as specified, no later than January 1, 2016.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 10823 of the Welfare and Institutions
2 Code, as amended by Section 9 of Chapter 13 of the first
3 Extraordinary Session of the Statutes of 2011, is amended to read:
4 10823. (a) (1) The Office of Systems Integration shall
5 implement a statewide automated welfare system for the following
6 public assistance programs:
7 (A) The CalWORKs program.
8 (B) CalFresh.
9 (C) The Medi-Cal program.
10 (D) The foster care program.
11 (E) The refugee program.
12 (F) County medical services programs.
13 (2) Statewide implementation of the statewide automated welfare
14 system for the programs listed in paragraph (1) shall be achieved
15 through no more than four county consortia, including the Interim
16 Statewide Automated Welfare System Consortium, and the Los
17 Angeles Eligibility, Automated Determination, Evaluation, and
18 Reporting System.
19 (3) Notwithstanding paragraph (2), the Office of Systems
20 Integration shall migrate the 35 counties that currently use the
21 Interim Statewide Automated Welfare System (SAWS) into the
22 C-IV system within the following timeline:
23 (A) Complete Migration System Test and begin User Acceptance
24 Testing on or before June 30, 2009.
25 (B) Complete implementation in at least five counties by
26 February 28, 2010.
27 (C) Complete implementation in at least 14 additional counties
28 on or before May 31, 2010.
29 (D) Complete implementation in all 35 counties on or before
30 August 31, 2010.
31 (E) Decommission the Interim Statewide Automated Welfare
32 System on or before January 31, 2011.
33 (4) Notwithstanding paragraph (2), the Office of Systems
34 Integration shall oversee the migration of the 39 counties
35 composing the C-IV Consortium into a system jointly designed
36 by the 39 counties plus Los Angeles County under the LEADER
37 Replacement System contract. This migration shall result in a new
38 consortium to replace the LEADER and C-IV Consortia.

1 (5) The consortia and the state shall take any action necessary
2 to ensure that the current SAWS maintenance and operations
3 agreements are extended for the LEADER and C-IV Consortia,
4 pending the completion of the LEADER Replacement System and
5 migration of the C-IV Consortium as set forth in paragraph (4),
6 and for the continuation of the Welfare Client Data System
7 Consortium.

8 (6) Each SAWS consortium shall provide a seat on its governing
9 body for a representative of the state and shall allow for the
10 stationing of state staff at the project site.

11 (b) Nothing in subdivision (a) transfers program policy
12 responsibilities related to the public assistance programs specified
13 in subdivision (a) from the State Department of Social Services
14 or the State Department of Health Care Services to the Office of
15 Systems Integration.

16 (c) (1) On February 1 of each year, the Office of Systems
17 Integration shall provide an annual report to the appropriate
18 committees of the Legislature on the statewide automated welfare
19 system implemented under this section. The report shall address
20 the progress of state and consortia activities and any significant
21 schedule, budget, or functionality changes in the project.

22 (2) The report provided pursuant to this subdivision in 2012
23 shall also include the projected timeline and key milestones for
24 the development of the LEADER Replacement System and of the
25 new consortium described in paragraph (4) of subdivision (a).

26 (d) Notwithstanding any other law, the Statewide Automated
27 Welfare System consortia shall have the authority to expend within
28 approved annual state budgets for each system as follows:

29 (1) Make changes within any line item, provided that the change
30 does not create additional project costs in the current or in a future
31 budget year.

32 (2) Make a change of up to one hundred thousand dollars
33 (\$100,000) or 10 percent of the total for the line item from which
34 the funds are derived, whichever is greater, between line items
35 with notice to the Office of Systems Integration, provided that the
36 change does not create additional project costs in the current or in
37 a future budget year.

38 (3) Make requests to the Office of Systems Integration for
39 changes between line items of greater than one hundred thousand
40 dollars (\$100,000) or 10 percent of the total for the line item from

1 which the funds are derived, which do not increase the total cost
2 in the current or a future budget year. The Office of Systems
3 Integration shall take action to approve or deny the request within
4 10 days.

5 *(e) (1) The Statewide Automated Welfare System shall be the*
6 *system of record for Medi-Cal and shall contain all Medi-Cal*
7 *eligibility rules and case management functionality.*

8 *(2) Notwithstanding paragraph (1), the business rules necessary*
9 *for an eligibility determination to be made under the Modified*
10 *Adjusted Gross Income (MAGI) rules pursuant to the federal*
11 *Patient Protection and Affordable Care Act (Public Law 111-148)*
12 *may be housed in the California Healthcare Eligibility, Enrollment,*
13 *and Retention System developed pursuant to Section 15926,*
14 *hereafter referred to as CalHEERS. The business rules shall be*
15 *made available as a service to the Statewide Automated Welfare*
16 *System consortia in order for the consortia to determine eligibility*
17 *for Medi-Cal.*

18 *(3) The functionality to create and send Notices of Action for*
19 *the Medi-Cal program, including notices related to MAGI-based*
20 *eligibility, shall be housed within the Statewide Automated Welfare*
21 *System. This paragraph shall be implemented no later than January*
22 *1, 2016.*